

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into the Gas Market Activities of Southern California Gas Company, San Diego Gas and Electric, Southwest Gas, Pacific Gas and Electric, and Southern California Edison and their impact on the Gas Price Spikes experienced at the California Border from March 2000 through May 2001.

Investigation 02-11-040
(Filed November 21, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING
ADDRESSING PERMISSIBLE SCOPE OF DISCOVERY**

On March 31, 2005, Southern California Edison Company (SCE) submitted a letter asking for clarification regarding the scope of discovery permitted at this stage of Investigation (I.) 02-11-040. SCE's letter and its attachments are contained in Attachment 1 to this ruling.

SCE reports that Southern California Gas Company (SoCalGas), San Diego Gas & Electric Company (SDG&E), and Sempra Energy have objected to certain discovery requests from SCE on the grounds that the requests seek information relevant only to Issue No. 1 in the scoping memo and, thus, are improper because the deadline for discovery on that issue has passed. SCE disagrees that discovery is limited in this way.

SCE argues that Issue No. 1 is substantially subsumed by Issue No. 2 in the scoping memo and, as a result, discovery regarding SoCalGas' and SDG&E's market activities is permissible at this time. SCE asserts further that discovery on

all scoping memo issues is proper because examining Issue No. 2 in a vacuum would impair such an examination.

I agree that both Issue No. 1 and Issue No. 2 concern SoCalGas' and SDG&E's market activities and that there may be a nexus between Issue No. 2 and all of the other issues in this proceeding. I note, in addition, that Phase I.A is still pending, since the Commission has not issued a decision addressing that phase. For both of these reasons, I conclude that discovery on all scoping memo issues is permissible at this time.

Therefore, **IT IS RULED** that discovery is permissible on all issues delineated in the scoping memo in Investigation 02-11-040.

Dated April 7, 2005, at San Francisco, California.

/s/ CHARLOTTE F. TERKEURST

Charlotte F. TerKeurst
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have this day served the attached Administrative Law Judge's Ruling Addressing Permissible Scope of Discovery on all parties of record in this proceeding or their attorneys of record by Notice of Availability.

Dated April 7, 2005, at San Francisco, California.

/s/ ELIZABETH LEWIS

Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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ATTACHMENT 1